

**DEPARTMENT  
POLICY**

Liens were placed on real property (homestead) when state emergency relief (SER) was issued for:

- Non-energy home repairs between 10/01/95 and 09/30/97, and
- Mortgage payments, land contract payments and property tax payments between 10/01/94 and 09/30/97.

Liens are no longer required for these payments; however, liens filed during this period are still binding and must be repaid.

**\$250 Exclusion**

A one-time-only exclusion of \$250 was given for the initial approval of lienable services in any combination. Only one exclusion applied to the entire application. Subsequent approvals did not receive an exclusion unless the \$250 maximum was not reached.

Once a lien is discharged and a payment history adjustment has been made by central office, Bridges will display \$250 in lienable services. The \$250 is the amount the client did not repay. This amount will remain and will count against the lifetime limit for future SER approvals.

**Filing Fee**

A filing fee is required at the time a lien is discharged. The client is responsible for payment of the release fee. There may be situations that require the department to release a lien that was taken in error or that is uncollectable.

**Payment  
Authorizations**

Authorize discharge fees using DHS-849. Process payment as a local office issuance. Use service code 32 for filing fee.

**Lien  
Termination**

The lien may be repaid prior to the sale or transfer of the property. This requires payment in full, including the release fee, to the DHS office. Use an DHS-4742, Lien Discharge on Real Property to terminate the lien. (See the Accounting Manual Item 412-1, State

Emergency Relief Liens, for local office responsibility for lien discharge.)

### **Lifetime Limit Adjustments**

An adjustment to the non-energy-related home repair or home ownership services lifetime limit exists when a lien is paid in full and discharged. The Energy and Emergency Services unit will notify the local office worker when a lien is released by the county Register of Deeds office. Attached to the worker's copy of the Lien Discharge on Real Property (DHS-4742) will be a memo for the specialist to complete and return to the Energy and Emergency Services unit for processing the payment history adjustment.

**Note:** After payment history adjustment, the homeowner may reapply for and receive SER funds for future needs.

### **Verifications**

Retain in the case record copies of the following:

- Deed, mortgage, land contract, or other legal document verifying ownership.
- Legal description of the property.
- Manual tracking of the \$250 exclusion.
- Legal proof the deed or land contract was recorded.
- Copy of the lien (DHS-4740).
- Decision Notice (DHS-1419).
- Lien Discharge (DHS-4742).

### **LEGAL BASE**

MAC R400.7001 et seq.